DOCKET: EXAMINER HEARING - THURSDAY - APRIL 12, 2012

8:15 A.M. - 1220 South St. Francis Santa Fe, New Mexico

Notice of Abatement Plan Filing pursuant to 19.15.30.15.D NMAC: Stage 2 Abatement Plan (AP-51) for the Former Caribou Refinery (located in Section 17, Township 29 North, Range 14 West, NMPM near Kirtland, NM in San Juan County) was filed with the Oil Conservation Division by Maverik Country Stores of North Salt Lake, Utah on March 9, 2012. The stated purpose of the Plan is to provide an evaluation of remediation alternatives and a design of the recommended alternative for the abatement of contaminated soil and groundwater resulting from unauthorized releases from the facility.

Docket Nos. 12-12 and 13-12 are tentatively set for April 26, 2012 and May 10, 2012. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule 19.15.4.13.B requires parties who intend to present evidence at an adjudicatory hearing to file a pre-hearing statement no later than the Thursday before the hearing, and serve a copy on opposing counsel of record. If the OCD does not receive a pre-hearing statement from the applicant by the close of business on the Thursday before the hearing, the hearing may be continued. The following cases will be heard by an Examiner.

Locator Key for Cases
Case 14698 – No. 13
Case 14703 – No. 10
Case 14704 – No. 11
Case 14705 – No. 12
Case 14745 – No. 14
Case 14770 – No. 8
Case 14771 – No. 9
Case 14787 – No. 4
Case 14798 – No. 6
Case 14809 – No. 1
Case 14810 – No. 2
Case 14811 – No. 3
Case 14812 – No. 5
Case 14813 – No. 7

- 1. CASE 14809: Application of Mewbourne Oil Company for approval of a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the E/2 W/2 of Section 35, Township 23 South, Range 28 East, NMPM. Applicant further seeks the pooling of all mineral interests (i) from the surface to the base of the Bone Spring formation underlying the NE/4 NW/4 of Section 35 to form a standard 40 acre oil spacing and proration unit, and (ii) the Bone Spring formation underlying the E/2 W/2 of Section 35 to form a non-standard 160 acre oil spacing and proration unit (project area), for all pools or formations developed on 40 acre spacing within that vertical extent. The units are to be dedicated to the Layla 35 Well No. 2, a horizontal well with a surface location in the NE/4 NW/4, and a terminus in the SE/4SW/4, of Section 35. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The units are located approximately 2-1/2 miles north-northeast of Malaga, New Mexico.
- 2. <u>CASE 14810</u>: Application of Mewbourne Oil Company for approval of a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Mewbourne Oil Company seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the E/2 W/2 of Section 10, Township 26 South, Range 33 East, NMPM. Applicant further seeks the pooling of all mineral interests (i) from the surface to the base of the Bone Spring formation underlying the NE/4 NW/4 of Section 10 to form a standard 40 acre oil spacing and proration unit, and (ii) the Bone Spring formation underlying the E/2 W/2 of Section 10 to form a non-standard 160 acre oil spacing and proration unit (project area), for all pools or formations developed on 40 acre spacing within that vertical extent. The units are to be dedicated to the Salado Draw 10 Fed. Com. Well No. 1, a horizontal well with a surface